FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 244 *18 December 1979*

ARGENTINA

Human Rights Report Received Without Comment B 1
Soviet Oceanographic Ship Arrives on Visit B 1
Ship Captain Talks to Press B 1
Briefs: Australian Ambassador; Military Manufacturing; Army Assignment B 1

BOLIVIA

Interior Minister Promises Firm Stand on Anarchy C 1
Cardinal Says Church-State Relations Normal, Not Cordial C 2
[PRESENCIA 14 Dec]
Hunger Strike, Other Demonstrations Reported C 2
Sud Yungas Hunger Strike C 2
Upper Beni Region Situation C 3

BRAZIL

Iraqi Oil Minister Arrives for Talks D 1
Possibility of More Oil [O GLOBO 17 Dec] D 1
Political Support Stressed D 1
[O ESTADO DE SAO PAULO 15 Dec]
NUCLEBRAS President Views Possible Cooperation With Iraq D 1

ECUADOR

Oil Minister Announces Production Increase G 1
Supports OPEC Price Hikes G 1
Foreign Ministry Lauds Lifting of U.S. 'Anti-OPEC Clause' G 1
PLO Representatives Seek To Open Office in Quito G 2
Joint Naval Maneuvers With Italy Announced G 2
Briefs. World Bank Loan G 2

VENEZUELA

OPEC Meeting To Discuss Price Increase L 1
Herrera Campins Scores Oil-Consuming Industrialized Nations L 1
Venezuelan Energy Minister Elected OPEC President L 2
OPEC Creates Own News Agency in First Session L 3
'Tense Disarray' Marks Opening of OPEC Meeting L 3
Nicaraguan Delegation Arrives for Oil Talks L 4
Antigua Prime Minister Arrives To Discuss Oil L 4
Briefs: New Ambassador L 4

MEXICO

Daily Criticizes Panama for Accepting Former Shah M 1
Papers Report Terrorist Training Camp in Chiapas M 1
Diplomatic Relations With Grenada To Be Established [Havana] M 1

PANAMA

Country Has Mixed Reaction to Shah's Arrival N 1
Students Demonstrate N 1
FEP Issues Communique N 2
TV Director Talks to Muslim Students in Tehran N 2
National Guard Sets Up Security System for Shah N 3
Minister Says Country Not Dependent on Iranian Oil N 3
Paper Calls Ayatollah Khomeyni 'Crazy' N 5
[LA ESTRELLA DE PANAMA 16 Dec]
Possible 'Hidden Intention' In Accepting Shah Termed 'Dangerous' N 5
Students Voice Opposition to Shah Arrival N 6
Columnist Poses Questions About Shah's Presence N 7
[CRITICA 17 Dec]
Papers Defend Decision To Grant Asylum N 7
CRITICA Editorial [17 Dec] N 7
Editorial Hails Move [MATUTINO 17 Dec] N 8
'Humanitarian Gesture' Noted [CRITICA 17 Dec] N 9
'Panama Move' Assessed [CRITICA 17 Dec] N 10

CENTRAL AMERICA

EL SALVADOR

Junta Warns of Possible Imposition of State of Siege P 1
Opposition Groups Create Broad National Front P 1
Junta Member Leaves for Mexico on PRI Invitation P 2
CP Official Hits Junta's Failure To Meet Popular Demands P 2
[Budapest NEPSZABADSAG 13 Dec]

NICARAGUA

Cuban Aid Praised by FSLN Leader [Havana] P 4
Cuba's Fernandez Continues Visits to Schools [Havana] P 5
Concludes Tour [Havana] P 5
Finance Minister Announces Agreement To Repay Foreign Debt P 6
[Havana]
Hassan Scores 'Pseudo-Marxists' for Undermining Government P 6
[BARRICADA 12 Dec]
Political Groups Warn Against Totalitarianism P 7
European Trip Produces Aid for Cultural Projects P 8
[LA PRENSA 12 Dec]
Domestic Trade Ministry To Be Created P 8

CUBA

Mora Herman Scores U.S., NATO Military Budgets Q 1
Guido Garcia Inclan Comments on Cabinet Reshuffle Q 2
Cuba Will Not Share UN Security Council Seat Q 3
Cooperation Protocol Signed With Ethiopia Q 3

CARIBBEAN

BARBADOS

Opposition Party Calls for Adams' Resignation S 1

GRENADA

Bishop Will Try To Heal U.S. Rift S 1
[ADVOCATE-NEWS 14 Dec]

JAMAICA

Isaacs To Run Two Ministries When Danny Williams Leaves S 2
[DAILY GLEANER 14 Dec]
Mandeville Mayor, Deputy Resign in 'Unprecedented' Move S 2
[DAILY GLEANER 14 Dec]
Briefs: Relations With Fiji S 3

ST LUCIA

Government Leadership Crisis Details Reported S 3
[DAILY GLEANER 13 Dec]

HUMAN RIGHTS REPORT RECEIVED WITHOUT COMMENT

PY180038 Buenos Aires TELAM in Spanish 2352 GMT 17 Dec 79 PY

[Text] Buenos Aires, 17 Dec (TELAM)--Foreign Minister Carlos W. Pastor this morning received the report drafted by the Inter-American Human Rights Commission which the commission chairman had handed to the Argentine ambassador to the OAS, Raul Quijano, on 15 December. In view of the fact that it is highly confidential, absolute secrecy has to be maintained while it is being studied. Therefore, there will be no comment on its contents or on the answer the Argentine Government will subsequently submit to the commission.

SOVIET OCEANOGRAPHIC SHIP ARRIVES ON VISIT

PY171515 Buenos Aires TELAM in Spanish 1221 GMT 17 Dec 79 PY

[Text] Buenos Aires, 17 Dec (TELAM)--The oceanographic ship "Akademik Krylov" of the USSR Navy arrived at dock "A" of the metropolitan port at 0910 this morning. The captain of the ship, Capt Aleksandr Viktorovich Ustimenko, will make protocol visits to several naval officials during his stay which will last until next Saturday. Captain Ustimenko will give a press conference at 1145 on board the ship.

Ship Captain Talks to Press

PY172147 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1640 GMT 17 Dec 79 PY

[Excerpt] Buenos Aires, 17 Dec (NA)--The Soviet oceanography ship "Akademik Krylov" arrived in the local port this morning, and this week will leave for the south Atlantic to carry out research on ocean behavior in the Drake Strait where it will remain for 5 months, according to a report given during a press conference by the ship's captain, Aleksandr Ustimenko.

Ustimenko indicated that the "Krylov" is returning the visit to Leningrad made this year by the Argentine training frigate "Libertad." He also emphasized that the trip will contribute to intensifying the friendship linking the two countries. The captain said that during the 5 months they plan to remain in the Drake Strait, the scientists and technicians aboard the ship will carry out studies of the marine currents and the ocean bottom, its temperature and salinity, among other things, through the use of a laboratory and special equipment on board.

BRIEFS

AUSTRALIAN AMBASSADOR--The Argentine Government has approved the appointment of Malcom John Dan as the new Australian ambassador to Argentina. [Buenos Aires LA RAZON in Spanish 13 Dec 79 p 9 PY]

MILITARY MANUFACTURING--Buenos Aires, 14 Dec (TELAM)--The official bulletin reports that military manufacturing will now be under the jurisdiction of the army and that its director will be appointed by the executive branch after nominations by the army commander. [Buenos Aires TELAM in Spanish 1400 GMT 14 Dec 79 PY]

ARMY ASSIGNMENT--Buenos Aires, 13 Dec (NA)--The army general command has announced the appointment of Maj Gen Oscar Bartolome Gallino as the new director of military production, replacing Gen Diego Urricarriet. [Buenos Aires NOTICIAS ARGENTINAS in Spanish 1500 GMT 13 Dec 79 PY]

INTERIOR MINISTER PROMISES FIRM STAND ON ANARCHY

PY151925 La Paz Radio Panamericana Network in Spanish 1700 GMT 15 Dec 79 PY

[Text] Interior Minister Jorge Selum Vaca Diez is ready to impose order and respect for the laws against any outbreak of political and social anarchy and chaos in the country. This statement was made to Radio Panamericana this morning, and he said that this decision was made by his ministry in order to preserve the democratization process, which has cost Bolivians blood and sorrow to save.

Interior Minister Jorge Selum Vaca Diez also said that after a time of anxiety and unrest, tranquility has returned to the country and all its social classes.

[Begin Selum recording] The country has experienced a time of anxiety and unrest called forth by the economic measures announced by the government and the false interpretation given to them, particularly by the peasant sectors, which were in fact manipulated by elements interested in creating problems and destabilizing the country. But, as the public knows, all this misunderstanding on the part of various sectors has been overcome, and there is now general understanding for the task of getting the country out of the difficult economic situation, which is a task for all Bolivians, a task for Bolivian unity. Thanks to this understanding, all problems have been overcome and I can assure you that there is accelerating progress toward normalcy throughout the country. We can now say that Bolivia is entering a stage of tranquility and social peace, which is exactly what the government needs to carry forward all its development and other plans for the benefit of the large Bolivian majority sectors. [end recording]

Minister Selum Vaca Diez further maintained that the present democratization process which is supported by the Bolivian people cannot be stopped because it has international support and is based on the will of the majority of Bolivians. He stated that in this stage of democratic opening there are still political groups which are interested in discrediting the new-born democracy and which spread chaos and anarchy in the rural areas, the mines and the cities. This is what Minister Selum Vaca Diez said on this subject.

[Begin Selum recording] This democratic process has drawn the attention of all countries, particularly in this continent, and all of us Bolivians know it has been a process which cost sacrifice, blood, sorrow and suffering; and the people have shown more than once that they are ready to defend it to the last. There is only a small group which feels set aside in this process for certain reasons, a group of politicians who do not yet want to believe that this country can be governed and should be governed within the framework of respect for human beings, ideas, work and the right of man to think freely. Apart from this group, which has held meetings of a conspiratorial nature, I do not believe there is any sector in this country which does not welcome democracy. I therefore believe that the consolidation of democracy is a fact. [end recording]

In his statements to Radio Panamericana, the minister confirmed that there are still ill-adjusted political sectors which do not believe in democracy and therefore do not agree with its validity. There are still sectors interested in creating chaos and anarchy with the purpose of tarnishing the image of the constitutional government which took over by unanimous decision of the National Congress and with the determined participation of the Bolivian Labor Central. In conclusion the minister asserted that he will act firmly to obtain respect for the laws in force in the country. These were his words:

[Begin Selum recording] There were groups of agitators who tried to lead this country to a certain condition of chaos and anarchy. In particular, they were using the peasant sectors as instruments to bring about that chaotic situation. Fortunately, the peasants became aware of what was happening and realized that their task was to work for the well-being of this country, and they are therefore giving support to the constitutional government, as was shown in Chochabamba, where more than 15,000 peasants voiced their support for the president and congratulated her for her good government for the benefit of the country.

I want to make it very clear to those sectors which continue their provocations that we will now act firmly, and if the situation so requires we will use very hard measures, because we cannot possibly allow those elements which are trying to gain advantages to continue to convert this country into a breeding ground for their sinister political intentions. I repeat that my ministry will see that the laws are respected and will act with firmness. [end recording]

CARDINAL SAYS CHURCH-STATE RELATIONS NORMAL, NOT CORDIAL

PY180048 La Paz PRESENCIA in Spanish 14 Dec 79 p 11 PY

[Text] Santa Cruz, 13 Dec--Relations between the Catholic Church and the state are normal but not very cordial, Cardinal Jose Clemente Maurer stated today in this city after the inauguration ceremony of a clinic which bears his name.

Cardinal Maurer stated that the relations between church and state are not "very cordial", because the church has taken up some problems from among the needs of the country and outlined them to the government, and up until now they have not been given priority attention. The cardinal stated that the problem of contraband still exists. He also stressed the need to give more aid to the poor.

The "Maurer" clinic, located on Avenida Sucre, operates as a private organization which helps the poor. According to the priest, this was the condition he accepted for the clinic to bear his name.

Maurer attended the ceremony accompanied by the Santa Cruz archbishop, Msgr Luis Rodriguez Pardo. Maurer said that he did not have any knowledge about regional problems when asked by journalists. He added that in this case, Msgr Rodriguez was the right person to give the answers. It was not disclosed whether Maurer and Rodriguez, the latter as vice president of the Bolivian Episcopal Conference, have discussed in private the present political situation of the country, although an authorized source stated that the church has already released a communique regarding the present political, economic and social situations. Msgr Maurer will stay for a few days in this city, while Archbishop Msgr Rodriguez has left for Cochabamba to attend a meeting of communion seminars.

HUNGER STRIKE, OTHER DEMONSTRATIONS REPORTED

Sud Yungas Hunger Strike

PY141456 La Paz Radio Panamericana Network in Spanish 1132 GMT 14 Dec 79 PY

[Excerpts] The situation in Sud Yungas Province is becoming more serious because the rural workers are continuing their hunger strike and are being joined in their fasting by groups coming from other regions.

The hunger strike began over 48 hours ago. We have received a direct report from (Lasunta), and we now reproduce part of the special telephone report to Radio Panamericana:

[Begin recording] The hunger strike declared by the (Lasunta) peasant federation, the nine labor unions and the villages near the town of (Lasunta) is being strictly maintained. The fasters now number about (?300) people, among whom are women and children. Among the fasters there are many persons ill with malaria who refuse to receive medical attention. The lack of food can be noticed in many (?homes). They are asking the government to abolish the transporters' monopoly and to introduce free competition in transport. [end recording]

Also, Radio Yungas has reported to Radio Panamericana on the events in Sud Yungas, saying that the peasants of the Nor Yungas Province may join the strike and block the roads in the next few hours. The report gives other details which you will now hear in the special report from that region:

[Begin recording] The blocking of roads in Sud Yungas Province continues. The hunger strike is becoming general in several towns of Sud Yungas Province. More fasters are daily joining the hunger strike held in chapels and schools. [end recording]

The report says that members of a special commission sent by the prefect of the department are in Chulumani, as well as people belonging to the peasant federation. The report continues:

[Begin recording] If the negotiations do not give a satisfactory result, the roads of Nor Yungas will be blocked, according to a message just received in Chulumani. [end recording]

Upper Beni Region Situation

PY141500 La Paz Radio Panamericana Network in Spanish 1130 GMT 14 Dec 79 PY

[Excerpt] The situation facing several towns in the upper Beni region, including Caranavi, because peasant settlers are blocking the roads to the region is becoming more serious since the peasants are demanding that an official government commission go to the area of conflict to hear their complaints. The peasant settlers reject the economic measures taken by the government and are also requesting that free access be opened to the Yungas regions for motor transport, thus breaking the monopoly now existing in public transport.

The roadblocks which have been maintained for over 10 days are causing much suffering, not only to the permanent population of Caranavi, but also to a large group of tourists. The shortage of food and particularly of money might lead to a hunger strike among the people isolated there, thus aggravating the situation. Nearly 300 persons still remain isolated in Caranavi and are asking the officials to order their evacuation by air since the town has an airstrip about 1,200 meters long. Over 100 heavy trucks and buses of the Yungas enterprise are bottled up in Caranavi, and the same situation exists along the highway, which is blocked with huge tree trunks and big stones.

IRAQI OIL MINISTER ARRIVES FOR TALKS

Possibility of More Oil

PY180159 Rio de Janeiro O GLOBO in Portuguese 17 Dec 79 p 12 PY

[Excerpts] Caracas--Upon arriving here, Iraqi Oil Minister Tayih 'Abd al-Karim said that his country is studying the possibility of raising from 400,000 to 440,000 barrels per day the supply of oil to Brazil.

As to Iraq's position at the OPEC conference, Al-Karim said it will be moderate, adding that "we will not support an excessive price raise, and I believe we will arrive at a satisfactory conclusion for everyone in 2 days.

Political Support Stressed

PY172317 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 15 Dec 79 p 24 PY

[Excerpts] Iraqi Oil Minister Tayih 'Abd al-Karim said last night in Rio de Janeiro that petroleum supply has been guaranteed to Brazil "even for times of crisis." He denied that the oil supply might be related to Iraqi purchases of Brazilian military weapons or to the transfer of nuclear technology to Arab countries. He confirmed, however, that the oil supply to the Brazilian market will be closely linked to the political support Brazil has been giving the Arab nationalist cause. He said that relations between the two countries "are special." He added: "Petroleum is of strategic importance today. While petroleum is supplied to friends, it is used as a weapon against enemies. As long as Brazil remains our ally, it will have its oil supply guaranteed."

"It is true that Iraq has been encountering difficulties in recycling its financial reserves stemming from its petroleum sales?" reporters asked him.

He said: "No, it is not true. Iraq does not invest its reserves in the international market, but in the domestic market, to guarantee the well-being of our people and the country itself. We do not have surplus money for either foreign investments or deposits. I believe Iraq is perhaps the only Arab country which invests its resources within its own territory."

NUCLEBRAS PRESIDENT VIEWS POSSIBLE COOPERATION WITH IRAQ

PY172033 Paris AFP in Spanish 1510 GMT 15 Dec 79 PY

[Text] Belo Horizonte, Brazil, 15 Dec (AFP)--Paulo Nogueira Baptista, president of the Brazilian Nuclear Corporation (NUCLEBRAS), said here today that there is a possibility Brazil and Iraq will sign a nuclear cooperation agreement. Nogueira Baptista, who is in this city, capital of Minas Gerais State in the southeast of the country, indicated that an Iraqi mission which visited Brazil last October stated their government's desire to establish broad cooperation in the nuclear field between the two countries. The NUCLEBRAS president indicated that the cooperation between Brazil and Iraq in the nuclear field includes the transfer of technology in the process of enriched uranium and the supply of this mineral to Iraq.

OIL MINISTER ANNOUNCES PRODUCTION INCREASE

PA180345 Madrid EFE in Spanish 2334 GMT 17 Dec 79 PA

[Text] Caracas, 17 Dec (EFE)--Ecuador, one of OPEC's member countries with the smallest petroleum reserves, announced today a 5 to 10 percent increase in its production for the coming year. Ecuadorean Energy Minister Jose C. Cardenas said in a news conference that his country intends to increase its exports due to an increase in its production which is now set at 200,000 barrels a day. Cardenas criticized the "speculative market" in the hands of multinational companies which during recent months have created a considerable increase in petroleum prices. The Ecuadorean minister said that his government would rather establish long-range supply agreements with other countries in order to establish an orderly market for crudes.

According to Cardenas, Peru agrees with the policy promoted by Venezuela to financially help developing countries pay for their crude imports. He said that Ecuador had granted more favorable terms of payment to countries like Colombia and Peru which have purchased Ecuadorean petroleum. He also said that his government has begun to negotiate contracts with multinational concerns for a greater exploitation of possible oilfields in the country. He estimated that these fields may occupy a 10 million hectare area.

Supports OPEC Price Hikes

PA171505 Quito Cadena Ecuador Radio in Spanish 1255 GMT 17 Dec 79 PA

[Text] Ecuador supports the decision made by Saudi Arabia, Qatar, Venezuela and the United Arab Emirates to raise the price of oil by $6 a barrel. Ecuadorean Natural Resources and Energy Minister Jose Corsino Cardenas said in Caracas that the stand of these four OPEC members shows the objectivity with which OPEC views the problems and situation of the market. Cardenas and the other 12 OPEC oil ministers will begin the 55th regular OPEC meeting tomorrow. However, he did not say whether his country will accept the oil price hike. He said Ecuador will bear in mind the need to bolster the unity and solidarity of the organization and the desire to return to a standard price structure. He said Ecuador is waiting to hear OPEC's long-term strategy committee's views during the conference before adopting a long-term price policy. Cardenas noted that although Ecuador's currency is linked to the dollar and its highest volume of trade is conducted in dollars, the possibility of adopting a basket of currencies to protect the purchasing power of the oil revenue will be studied with interest. He said his country decided to offer incentives to international capital to develop its hydrocarbons resources. In this way, Ecuador could have an adequate balance between domestic demand and the need for oil to remain the key source of foreign currency.

The Ecuadorean Government is determined to lay the groundwork and provide the necessary guarantees for such investments. It is also determined to throw its resources, technical support and entrepreneurial efforts into developing its oil industry, the new natural resources and energy minister said.

FOREIGN MINISTRY LAUDS LIFTING OF U.S. 'ANTI-OPEC CLAUSE'

PA161910 Madrid EFE in Spanish 1733 GMT 16 Dec 79 PA

[Text] Quito, 16 Dec (EFE)--Ecuador has expressed its satisfaction with the U.S. lifting of the so-called "anti-OPEC clause" which affected Ecuador and Venezuela.

It was reported here today that Ecuador's satisfaction was expressed through the Foreign Ministry following the signing of a trade agreement by representatives of the Andean Pact and the U.S. State Department in Lima on Friday.

This agreement permitted the lifting of the anti-OPEC clause, which was a discriminatory measure that greatly harmed Ecuador and Venezuela in the U.S. system of preferences.

According to the Foreign Ministry, the new multilateral agreement between the Andean Pact and the United States is of great political importance. The Foreign Ministry also confirmed that the lifting of the clause goes into effect on 3 January 1980.

PLO REPRESENTATIVES SEEK TO OPEN OFFICE IN QUITO

PA141743 Quito Voz de los Andes in Spanish 1230 GMT 14 Dec 79 PA

[Excerpt] (Isam Beseizo) and Antonio Elias Simon, representatives of the so-called Palestinian Liberation Organization [PLO], are currently visiting Quito to try to obtain authorization from the Ecuadorean Government to establish a PLO office in our country.

The visitors made the following brief statement: [Begin unidentified speaker recording--in Arabic followed by Spanish translation] [Words indistinct] the cause of Palestinian liberation is to show the entire world that Palestine has been the victim of a Zionist movement which has dislodged the truly native Palestinian population. [Word indistinct] that nation, that people, are demanding a return to their country in order to live in peace like everybody else. It is impossible to establish peace with Israel, especially for Palestinians, as long as they reject everything that is just. [end recording]

JOINT NAVAL MANEUVERS WITH ITALY ANNOUNCED

PA112105 Quito Voz de los Andes in Spanish 1730 GMT 11 Dec 79 PA

[Excerpts] The Italian missile frigate Lupo and the destroyer and missile launcher Ardito will conduct joint maneuvers with Ecuadorean warships and air force units between 13-20 December, 6th Italian Naval Group Commander Rear Adm (Jasone Pitione) has told newsmen. Preparations for these maneuvers are currently underway between Italian and Ecuadorean naval authorities.

BRIEFS

WORLD BANK LOAN--The World Bank has approved a $31-million loan for the Ecuadorean Government to invest in urban development projects in Guayaquil, the secretary general of public information, Fausto Molina, has reported. The loan is to be repaid in 17 years, with a 4-year grace period. [Quito Voz de los Andes in Spanish 1230 GMT 12 Dec 79 PA]

OPEC MEETING TO DISCUSS PRICE INCREASE

PA171804 Caracas Radio Rumbos Network in Spanish 1530 GMT 17 Dec 79 PA

[Angel Mendez report--presumably via telephone]

[Excerpt] The first point on the OPEC agenda is the decision by some OPEC members--notably Venezuela, the United Arab Emirates and Iraq--to increase the price of petroleum to $24 [a barrel], as we recently said. According to a source close to one of the Arab ministers, Saudi Arabia and Iraq are very much in agreement that oil prices should be increased in view of world inflation and the prices the industrialized countries have established for some mass consumption products and byproducts. These countries have said a barrel of petroleum should be sold at a price fluctuating between $35 and $55. This is the cost of producing a barrel of petroleum in any part of the world.

The second aspect to be discussed this morning by the OPEC ministers is the control of the same of the product in the spot market. Some OPEC members feel this spot market is bad for the interests of OPEC. We must point out that the vast majority of the Arab countries sell petroleum at OPEC prices, but they also sell in the spot market. For example, Saudi Arabia sells 10 percent of its production--which amounts to 3.5 million--in the spot market at $40.

The third topic to be discussed by the 13 OPEC ministers and the secretary general is the creation of a bank to help the Third World countries that do not produce petroleum. The creation of the OPEC news agency will also be discussed.

HERRERA CAMPINS SCORES OIL-CONSUMING INDUSTRIALIZED NATIONS

PA171936 Paris AFP in Spanish 1629 GMT 17 Dec 79 PA

[Text] Caracas, 17 Dec (AFP)--Opening the 55th ministerial conference of the Organization of Petroleum Exporting Countries (OPEC), Venezuelan President Luis Herrera Campins today appealed for efforts to put order in the international petroleum market and safeguard the price of crude.

Herrera Campins said that petroleum, already important in the struggle for a new international economic order, in the hands of OPEC should be a weapon for winning the confidence and solidarity of the nonpetroleum producing developing countries and the basis for resuming a broad-agenda dialog between the industrialized North and the developing South. He called on OPEC to act in unison and solidarity to again put the petroleum market in order and to proceed with determination to safeguard and maintain the true value of the resource, adopting sensible price-adjusting policies to compensate its members for world inflation and monetary fluctuations.

Furthermore, he said, "We must safeguard the good name, honor and respectability of OPEC by promoting our own news agency and combating the distortion and confusion created regarding the organization as a consequence of interested and partisan views regarding the oil situation."

He accused the transnationals of having exploited, for their own benefit and the benefit of their countries of origin, the resources of the OPEC members and he held them responsible for their lack of foresight and self-discipline. They are trying to hide from their nationals the amount of taxes that are applied to petroleum and its byproducts and the need for sacrifice and efforts to cut down on waste of energy. They are acting as if OPEC did not exist, as if they could dispose of unlimited quantities of petroleum.

He added: "In addition, they try to counter the rise in prices which their own conduct has generated with a policy of inflation, whose origin they also tell the people is the fault of OPEC."

Unlike his predecessor, Carlos Andres Perez, who opened the 50th conference of the organization here in December 1977, Herrera Campins made no concrete proposals regarding prices. He devoted most of his speech to stressing the need for cooperation and solidarity with the other countries of the Third World. Only thus can we hope to achieve solidarity in action vis-a-vis the industrialized countries. He emphasized this in proposing that efforts be made to hold a North-South dialog that would include, in addition to the energy issue, the transfer of technologies and monetary complexities, ethical norms that should regulate economic relations and foreign investment. Also, the opening of markets for our manufactured goods instead of sending basic raw materials without aggregate value, the installation of new industrial lines and the possibility of cooperation for training human sources, among less important issues. [sentence as received]

For Herrera, the nonpetroleum developing countries are the natural allies of OPEC and, if we do not count on their understanding and support, the ongoing maneuver to isolate us from the rest of the world could be successful. He held that for OPEC it would be appropriate to approach the Third World jointly. He gave as an example Venezuela's ea[illegible]-term policy toward Central America and the Caribbean for the purchase of hydrocarbons in the area. These are, according to Herrera Campins, OPEC's main tasks in the next decade. "It will be an era of transition in energy consumption patterns and will be accompanied by difficulties and maladjustments which hopefully will stimulate a serious approach to addressing foreseeable problems."

He praised OPEC's affirmation and its strengthening position during this decade because it demonstrated to the world that the voracious and increasingly irrational energy appetite of the industrialized economies could not continue to consume, for its own profit, our resources, adding that prices were vile because they were low and unjust. He voiced support for a meeting of OPEC chiefs of state next year to observe the organization's 20 years of existence, combat and organization.

Concluding, he had a word of praise for Venezuelan Juan Pablo Pedrez Alfonzo, considered the father of OPEC and recently deceased, who was minister of mines and hydrocarbons of Venezuela when the organization was founded in Baghdad in 1960.

VENEZUELAN ENERGY MINISTER ELECTED OPEC PRESIDENT

PA172004 Paris AFP in Spanish 1801 GMT 17 Dec 79 PA

[Text] Caracas, 17 Dec (AFP)--Venezuelan Energy and Mines Minister Humberto Calderon Berti this morning was elected president of the 55th OPEC conference.

With the unanimous vote of the 13 OPEC members, the youthful Venezuelan minister--age 38--will replace Mani' Ibn Sa'id al-'Itaybah, the minister of petroleum and natural resources of the United Arab Emirates, as president in 1980. Considered one of the most efficient ministers in President Luis Herrera Campins' Social-Christian cabinet, Calderon previously held the post of head of Venezuela's Technological Petroleum Institute.

At the same inaugural session, Jose Manuel Tineo, also a Venezuelan, was elected new president of the board of governors of OPEC's executive organization. Tineo, who will hold the office of president for 1 year, is a high-ranking official of the Venezuelan Ministry of Energy and Mines.

OPEC CREATES OWN NEWS AGENCY IN FIRST SESSION

PA171946 Paris AFP in Spanish 1917 GMT 17 Dec 79 PA

[Excerpts] Caracas, 17 Dec (AFP)--The first working session of OPEC, whose conference opened here today, has approved the creation of a news agency, according to Rene Ortiz, secretary general of the organization. Ortiz said that the ministers who represent the 13 member countries approved the agenda of the meeting and the report of the General Secretariat on administrative and budget affairs and offered broad support for the plan to create an OPEC news agency. Ortiz said that the ministers had approved the report that had been presented regarding the steps taken for the creation of the OPEC news agency and had accepted the recommendation of the board of governors to support the creation of the agency. He added that with the support obtained, OPEC will proceed to create a unit that will be the nucleus of OPEC news within the General Secretariat.

'TENSE DISARRAY' MARKS OPENING OF OPEC MEETING

PA172259 Paris AFP in English 2234 GMT 17 Dec 79 PA

[By Jean-Louis Lemarchand]

[Text] Caracas, Dec 17 (AFP)--The meeting of the 13-country Organization of Petroleum Exporting Countries (OPEC) opened today in tense disarray as stark divisions emerged over the price to charge for oil. The differences [word indistinct] dashed any hopes that a unified world oil price would emerge from the two-day parley and left OPEC nations [word indistinct] to set their own prices. They also seemed to spell continued [few words indistinct] economic planning by energy-dependent countries, particularly under-developed nations, already (?affected) by recent oil price hikes, unemployment and recession.

The battlelines were drawn quickly [few words indistinct] with the moderate OPEC majority, led by Saudi Arabia, seeking to hold oil prices to [figure indistinct] dollars a barrel while "hawkish" Libya and Iran demanding about a 50-percent increase to 30 dollars a barrel. The [few words indistinct] began last week with Saudi Arabia announcing that it was raising its oil prices from 18 to (?24) dollars, an increase of 33 percent. (?This was followed by similar) price hikes by other OPEC members Qatar, Libya, Venezuela, Indonesia, the United Arab Emirates and Ecuador. In addition, Iranian sources here today reported that Iran had decided to raise its oil price from 23.50 dollars a barrel to 28.50 retroactively to December 1.

In 1973, a barrel of Arabian light was selling at only two dollars.

Meanwhile, the Paris-based Organization for Economic Cooperation and Development (OECD), which groups all major industrialized countries, predicted that these increases will weigh heavily on international business activity, push up prices, adversely affect unemployment and keep overall economic growth rate to around one percent in the coming year. [Few words indistinct] bleak results for industrialised countries coming from the OPEC meeting and the price hikes has already pushed recent gold prices to record highs, indicating economic concern.

In opening the conference, Venezuelan President Luis Herrera Campins said that the real value of oil had dropped since 1973. "This is intolerable," he said, adding that he hoped to see more agreement among OPEC countries in [word indistinct].

A new round of price [word indistinct] could result in non-oil producing countries sinking deeper into debt and observers expected this to prompt lengthy discussions in Caracas about development aid.

In Havana, Cuban President Fidel Castro made an impassioned plea today for OPEC countries to use their profits to invest in the energy-squeezed under-developed countries. Mr Castro, who is current chairman of the non-aligned nations movement, warned OPEC not to divide the grouping. He also reiterated his call for OPEC and other wealthy countries to set up a 300,000 million dollar fund to aid the 119 developing nations, known as the Group of 77. The need for such an independent fund was shown by Washington's freezing of Iran's assets in the United States, he said.

OPEC was set up 19 years ago largely to coordinate the setting of oil prices by oil exporting nations. But observers said it was almost certain that the Caracas meeting would leave OPEC nations free to set their own prices, raising questions about the fundamental function of the organization.

NICARAGUAN DELEGATION ARRIVES FOR OIL TALKS

PA141321 Madrid EFE in Spanish 0326 GMT 14 Dec 79 PA

[Text] Caracas, 13 Dec (EFE)--A delegation of the junta of the Nicaraguan Government of National Reconstruction arrived in Venezuela today for what it called a working meeting. The delegation, headed by Alfonso Robelo, explained why Nicaragua is demanding preferential treatment on petroleum prices. Robelo said Nicaragua consumes 4 or 5 million barrels of petroleum yearly, and since its economy "is prostrated an exception should be made." "If 80 percent of the world's petroleum production goes to the industrialized countries and 20 percent to the developing countries, there must be exceptions--different situations must be treated differently," Robelo said. He also said every newborn Nicaraguan inherits a $600 debt caused by the total bankruptcy in which Somoza left the country. Robelo said Nicaragua's exports are committed for the next 2 and 1/2 years in order to pay its foreign debt. The problem has been made more acute by the heavy rains, which have decreased exports by $550 million. He said problems between Nicaragua and Honduras were on the way to a solution.

ANTIGUA PRIME MINISTER ARRIVES TO DISCUSS OIL

PA141438 Madrid EFE in Spanish 0509 GMT 14 Dec 79 PA

[Text] Caracas, 13 Dec (EFE)--Antigua Prime Minister Vere Bird arrived in Caracas today to conclude agreements on energy with the Venezuelan Government. Immediately after his arrival, Bird met with Foreign Minister Jose Alberto Zambrano Velasco. The subject of oil will be discussed during a working meeting tomorrow between Bird and Venezuelan Energy and Mines Minister Humberto Calderon Berti. The Antigua prime minister will meet with President Luis Herrera Campins and Godofredo Gonzalez, president of the Venezuelan parliament, before returning to his country on Saturday.

BRIEFS

NEW AMBASSADORS--Caracas, 6 Dec (VENPRES)--The new Mexican, Australian and Algerian ambassadors to Venezuela presented their credentials to President Luis Herrera Campins today. They are Ismael Moreno Pino, Allen Dewane Brown and Abdiallah Feddal, respectively. [Caracas VENPRES in Spanish 1251 GMT 7 Dec 79 PA]

DAILY CRITICIZES PANAMA FOR ACCEPTING FORMER SHAH

PA172020 Madrid EFE in Spanish 2257 GMT 16 Dec 79 PA

[Text] Mexico City, 16 Dec (EFE)--The leftist daily UNO MAS UNO today harshly criticized the Panamanian Government for opening its doors to the shah of Iran and remarked that "it is doubtful" the Panamanian people share this decision.

"If in comparison to Iran the advantages the United States could offer would be compensatory, it would be worth considering whether the presence of the former shah will not jeopardize the government in the eyes of the Panamanian people," stated the morning paper in an editorial. UNO MAS UNO voiced its doubts that the Panamanian people share the decision to accept the shah, pointing out that a broad sector rejected U.S. sovereignty over the canal. In addition, "there is a widespread anti-imperialist movement throughout Central America," it said. "The next few days will indicate whether the Panamanian Government's move was not too rash," observes the daily in cautioning that there could be protests in Panama.

PAPERS REPORT TERRORIST TRAINING CAMP IN CHIAPAS

PA161929 Madrid EFE in Spanish 0445 GMT 15 Dec 79 PA

[Text] Mexico City, 14 Dec (EFE)--Two newspapers today reported the alleged existence of a training camp for foreign guerrillas in Chiapas State.

DIARIO DE MEXICO and UNIVERSAL GRAFICO, which do not give their source, report that "an invasion by foreign terrorists" has been detected by Lacandon Indians in the mountains of southeast Mexico on the border with Guatemala.

The Indians discovered an unspecified number of individuals armed with heavy-caliber weapons carrying out military exercises, including firing practice, near the town of Talismas.

According to UNIVERSAL GRAFICO, federal agents went to the border area and made some arrests and confiscated weapons.

DIARIO DE MEXICO reported that the "terrorists" apparently want to establish a training camp in the Chiapas mountains.

The two newspapers indicate that the group of "foreign guerrillas" might be composed of Guatemalans, Salvadorans or Bolivians. The report has not been confirmed by official sources.

DIPLOMATIC RELATIONS WITH GRENADA TO BE ESTABLISHED

FL131626 Havana Domestic Service in Spanish 1514 GMT 13 Dec 79 FL

[Text] The advantage of establishing diplomatic relations between Grenada and Mexico at the ambassadorial level was the result of a meeting held in the Mexican capital between officials of the two nations. George Louison, Grenadian minister of education, and (Alfonso Rosenweig), Mexican under secretary of foreign relations, pointed out the advantages of accrediting reciprocal ambassadors in a very short time. The Mexican under secretary of foreign relations also expressed the satisfaction of his government in receiving on Mexican soil the first mission from independent Grenada. (Alfonso Rosenweig) also stressed that relations between the two countries open possibilities of economic, technical and cultural cooperation and also serve to strengthen the friendship between the Grenadian and Mexican peoples.

COUNTRY HAS MIXED REACTIONS TO SHAH'S ARRIVAL

PA172032 Panama City ACAN in Spanish 1742 GMT 17 Dec 79 PA

[Excerpts] Panama City, 17 Dec (ACAN-EFE)--The unexpected arrival of the former shah of Iran has garnered the attention of all Panamanians. To some it is a demonstration of the hospitality and sovereign independence of the country; to others it is a disgrace. Some stress the risks that it entails or the crimes of the ousted monarch, while others point out the possible economic benefits.

This morning a few hundred students demonstrated in the capital's main streets and threw stones at the Foreign Ministry and the comptroller general's office while they shouted for the former ruler, whom they called a "murderer," to leave Panama. On the other end of the scale, however, a hundred businessmen, farmers and cattlemen who were meeting with President Aristides Royo in the western part of the country Saturday greeted with applause the president's first official announcement of the granting of asylum.

For their part the opposition political groups also criticized the asylum given to the former shah, although in varying degrees. While Trotskiyite groups this morning demanded total rejection of the government's move, the (conservative) Agrarian Labor Party (PLA) said that Reza Pahlavi has a right to political asylum "like anyone else," but that the following condition should be met: "If the Government of Iran, using regular channels, proves that he has been responsible for murders', genocide or common crimes and requests his extradition, he should be turned over to Iranian justice." The PLA wasted no opportunity to say that "the Carter administration's transfer of the problem of the shah to Panama confirms the belief that General Omar Torrijos is a Pentagon man."

Today the morning talk shows commented on the subject, with the majority of opinions against the asylum. The progovernment show "Arriba Panama" said that "to take the chestnuts of the United States out of the fire" refuge has been granted to "a murderer" who is "fleeing from justice." Another talk show, this one antigovernment, said that "this type of thing belittles the country in the eyes of the world." In most cases, however, the talk shows looked at the possibility of economic benefits deriving from the former shah's arrival at a time when private investment in the country is going through a critical period.

Students Demonstrate

PA171735 Panama City Domestic Service in Spanish 1700 GMT 17 Dec 79 PA

[Text] Two demonstrations to protest the presence of the shah in Panama took place this morning. The first demonstration was held by students of the National Institute, and the second was held by a small number of students of the law school of the University of Panama. Early this morning, at approximately 0845, National Institute students marched down Central Avenue to Santa Ana Plaza. There several speakers harshly criticized the dictatorship of former monarch Reza Pahlavi and criticized the Panamanian Government's decision to allow his presence in Panama because of the danger and risks it entails. The demonstration by the National Institute students created some disturbances on Central Avenue and caused a brief traffic jam. Nevertheless, the demonstration was carried out peacefully. Later, the students headed for the Foreign Ministry, where they held a similar meeting on the steps of the main building.

The deputy foreign minister, Juan Manuel Castulovich, came out to meet the students.

The students then reiterated their protest and their determination to condemn the political asylum that Panama has granted to the former shah. At the end of the meeting, as the students withdrew down Central Avenue, a small group of them threw stones at the Foreign Ministry buildings and offices of the comptroller general. However, there was not much damage. At approximately the same time, the law school students arrived at the Foreign Ministry. This small group of students also harshly condemned the political asylum granted to the former Iranian monarch. National Guardsmen closely followed the students' actions during the two protest demonstrations according to normal procedure.

FEP Issues Communique

PA180251 Panama City Televisora Nacional in Spanish 2315 GMT 17 Dec 79 PA

[Text] The Federation of Panamanian Students [FEP] has released a communique noting the impact within its ranks of the presence in Panama of former shah Reza Pahlavi, whom it claims is responsible for ordering the killing of more than 100,000 Iranian men and women by the SAVAK secret police.

The FEP says that the international press has concealed the crimes and tortures of the former shah because they seek to save the image of the man who was one of the firmest allies of the United States in the Arab world who acted as a spearhead to prevent the struggle of those countries to defend their natural resources. According to FEP, Somoza's crimes are small compared to the orgy of bloodshed of the former shah. The FEP says that there is an obvious connection between the Panamanian Government's decision and the current issue of Carter's reelection in the pre-election atmosphere of the United States.

TV DIRECTOR TALKS TO MUSLIM STUDENTS IN TEHRAN

PA180310 Panama City ACAN in Spanish 0100 GMT 18 Dec 79 PA

[Text] Panama City, 17 Dec (ACAN-EFE)--A representative of the Iranian students who are occupying the U.S. Embassy in Tehran today asked Panama to "turn over the shah" and announced that the students will try President Jimmy Carter together with the hostages.

During a telephone conversation with Fernando Eleta Casanovas, director of Panama's television channel four, a student who said he represented the group holding the U.S. Embassy in Tehran and was a "follower of Imam Khomeyni," said that the decision about the future of the hostages "will be adopted by Iran's popular forces." The statement was made when the Panamanian newsman questioned him about the contradictions between the statements of the Iranian foreign minister, who has said that some hostages may be released soon, and those of the students occupying the embassy, who have talked about a swift trial. The student said that the hostages may celebrate Christmas inside the embassy's walls but added that this may be the last Christmas they will celebrate. Eleta obtained the statements after calling one of the telephones in the U.S. Embassy, which was occupied by Islamic youths over 40 days ago.

"The imam's follower" said that he knows Panama is a brave country which has struggled throughout its history against the United States and imperialism. He said that, for this reason, he was asking in the name of his comrades that Panama turn the shah over to Iran's justice. "This is not an embassy; this is a spy nest," the Islamic student said during the conversation, which came through clearly from Tehran to Panama via the United States. He added that President Carter will be tried together with the hostages because he committed crimes in Iran through the shah.

Panama granted asylum to the shah on 15 December, when he moved to Contadora Island with his wife and a security retinue. A shah spokesman said that he will decide after Christmas whether to stay in Panama or move to another country. The Panamanian Government has told the shah that it intends to allow him to stay here peacefully, without a time limit or conditions.

NATIONAL GUARD SETS UP SECURITY SYSTEM FOR SHAH

PA172234 Panama City Circuito RPC Television in Spanish 1800 GMT 17 Dec 79 PA

[Text] Gen Omar Torrijos, commander in chief of the National Guard, assigned Lt Col Manuel Antonio Noriega, chief of Panama's military intelligence and security, to personally organize the defense system to protect the former shah of Iran. The personnel assigned to protect the shah includes Lt Cleto Hernandez and Sgt Jose de Jesus Martinez, both polyglots. Martinez holds a doctorate in mathematics, is a philosopher and author of several books.

The first defense line is made up of special National Guard agents; the second line includes sharpshooters equipped with powerful automatic rifles, clad in camouflaged uniforms which blend in with the forest surrounding the residence; while the third line is made up of secret agents posted throughout the island, acting as support groups in case of an emergency.

Lt Colonel Noriega said he believes it would be difficult for a suicide commando group to approach the former ruler. The hypothesis of a suicide attack has been discarded by Panamanian security officials although the Ayatollah Kohmeyni, prosecutor of the Iranian Islamic courts, [name and title as heard] told the French daily "LIBERATION" of his determination to execute the shah wherever he may hide, by using well-camouflaged polyglot commandos.

The maritime defense of the shah's residence includes a sonar system capable of detecting submarines, and divers within several kilometers. In front of the residence's terrace there is a fast, heavily armed frigate with a select crew of frogmen trained to fight under water.

The approach of any unidentified flying object would have no success as the antiaircraft weapons of the military bases defending the canal, including land missiles, could bring it down in a matter of seconds. The vessels and planes approaching the island must fully identify themselves, and it would be very difficult for them to obtain permission to enter the critical area.

The shah's protection does not in any way mean that he is a prisoner. The security system has been so designed to permit the shah to move freely and take short boat trips around the island.

MINISTER SAYS COUNTRY NOT DEPENDENT ON IRANIAN OIL

PA180235 Panama City Televisora Nacional in Spanish 2315 GMT 17 Dec 79 PA

[Report by Jose Montano]

[Text] The oil embargo against Panama announced by Iran shortly after Shah Reza Pahlavi arrived here will have no effect on the supply of crude to this country of 2 million inhabitants. This official statement was made to this station this morning by Juan Jose Amado, commerce and industries minister. Amado said that last year Panama bought 400,000 barrles of crude from Iran at $13.70 per barrel for a total of $5.5 million. Nevertheless, that figure accounted for only 2.4 percent of Panama's total oil imports that year.

In 1977, Panama obtained 2 percent of its imports from Iran. Panama's trend in the purchase of crude in the past 5 years has moved principally toward Ecuador and Venezuela. Government figures indicate that in 1975 Saudi Arabia supplied 40 percent of Panama's needs and Ecuador and Venezuela supplied the remainder.

In 1976 Panama bought 60.5 percent of its oil from Ecuador, while 26 percent of its needs were purchased from Venezuela and 13.3 percent from Saudi Arabia. Nigeria and Trinidad were also crude oil markets for Panama but to a lesser extent.

Around 1977 Ecuador sold Panama 47.4 percent of its needs, Venezuela 24.9 percent, Iran--the controversial country--2 percent, and Iraq 1.2 percent.

Last year 65 percent of Panamanian crude imports were obtained from Ecuador, while a little more than 10 percent of its imports were obtained from the Mideast. During the first 6 months of this year, oil imports from the Mideast were only 7.5 percent.

In his statements to this station, Commerce and Industries Minister Juan Jose Amado said that Panama has not officially received the publicized Venezuelan announcement of an increase in its oil price.

Meanwhile, well-informed diplomatic sources told this station that Venezuela will not offer preferential prices to any of its clients for fear that the Venezuelan crude will be resold at higher prices.

Parallel to local reactions on the incident, the commerce and industries minister received us this morning and made these statements:

[Begin recording] [Question] Mr Commerce and Industries Minister of Panama, what will be the impact on our country of the Iranian refusal to supply oil to the Republic of Panama?

[Answer] Actually, Panama obtains supplies from Venezuela and Ecuador, the latter being the main supplier of crude. In the first 6 months of 1979, Panama's oil imports were mostly from Ecuador, followed by a high percentage from Venezuela and a small percentage from Saudi Arabia. In previous years, Panama acquired crude from Iran in small quantities and also from Iraq and other Arab countries. But at present our suppliers by preference are Ecuador and Venezuela. One of the main reasons is, apart from the very good relations which we maintain with both countries, the close proximity of the markets, which reduces the transportation cost of the crude.

[Question] Mr Minister, early this year the national government was making efforts to increase the proportion of oil supplies from Saudi Arabia and Iran. What was the outcome of these efforts and do the new actions by that country against Panama affect our supply?

[Answer] In the wake of certain policies which neighboring countries, particularly Ecuador and Venezuela, were outlining to try to avert an overproduction of oil which could reduce the oil resources of those countries, and in light of the concern which moved the Panamanian Government to insure that Panama is not affected at the moment by a scarcity of this raw material, conversations were held on a state-to-state basis with some Arab countries to insure that Panama would always have the raw material. The talks were complex and difficult because in the first place, the Arab countries have always preferred to carry out these operations at the government level and not with private enterprises which process the crude. Second, the distance factor was critical because it increases the price per barrel considerably. Third, subsequent meetings held by the government with Venezuela and during the visit by the Ecuadorean president led us to the conclusion that we could in fact continue to count on the supply of these products from the neighboring countries.

[Question] Mr Minister Amado, Venezuela has announced an increase in the price of crude. What is the situation officially with regard to that announcement, especially with respect to Panama, and what prospects do you envisage with the announced increase by Venezuela.

[Answer] Yes, we learned from the international press media that Venezuela had announced an increase in the price of crude. We, however, have not received the information or the formal notice by the processors of this product to consider any price revision at the moment. We do think that the OPEC meeting will duly result in a considerable increase in the price of crude. We believe that this increase may fluctuate from 20 to 30 percent. If so, the country will definitely suffer from an increase in the price of byproducts which, according to future studies, may have a greater effect on some products than others. We hope that the plans we are outlining jointly with other state and production sectors will lead us to reduce imports of some of these products and to further formalize the responsibility of Panamanians in the past few months: to conserve much more energy than is actually used. But we are awaiting confirmation by Refineria Panama, which in this case is the processing entity, of any increase which will directly affect the raw material that they process. [end recording]

PAPER CALLS AYATOLLAH KHOMEYNI 'CRAZY'

PA162232 Panama City LA ESTRELLA DE PANAMA in Spanish 16 Dec 79 p 4-A PA

[Editorial: "The Khomeyni Case"]

[Excerpts] You don't have to be a psychiatrist to realize that the new tyrant of Iran, the Ayatollah Khomeyni, is completely crazy. He probably reached such a serious state of insanity as a result of religious fanaticism. He is not the first case. And you do not have to be a Muslim theologian to know that this sinister person's interpretation of the Koran is completely heretic and extravagant.

With his apostolic beard, his long clothes, his black turban and his floating cloak, the ayatollah has been able to contagiously spread his control over the Persian masses, which are delirious and angry and remind us of Hitler's "brown shirts" and the atrocities committed by the Nazis under the "Fuhrer."

Once deprived of his ostentatious clothes and shaven, the Ayatollah Khomeyni would immediately stop being dangerous. But meanwhile, he represents a certain and extremely dangerous threat that could result in a conflict of unforeseen proportions and consequences. No one doubts this.

POSSIBLE 'HIDDEN INTENTION' IN ACCEPTING SHAH TERMED 'DANGEROUS'

PA171847 Panama City Radio Mia Network in Spanish 1700 GMT 17 Dec 79 PA

[Unattributed commentary: "The Finger in the Soup"]

[Excerpts] For several months, the world has been on a razor's edge. The United States and Iran have been baring their teeth and on several occasions have growled at each other. There is no doubt the whole world repudiates the action of the Iranians. However, the situation took a surprising turn last Saturday when the former shah of Iran landed on Panamanian soil as a result of a government action. This was a humanitarian action, and it opened the channels for a possible understanding between two nations in dangerous conflict. We do not object to a humanitarian gesture. What we are concerned with is the true intention of the Panamanian Government. This is might never admit.

Panama has just taken a step on the ladder to heaven. For us, our small troubled country had no reason to stick its finger in the hot soup. In our opinion, the controversial shah is being followed by persons ready to kill him wherever he is. Consequently, such action would endanger our compatriots in charge of guarding the security of the former shah of Iran. For us, our government's action must have political overtones aimed at strengthening the fragile electoral position of incumbent President Jimmy Carter, a proven personal friend of both the president of the republic and the commander of the National Guard.

Hidden intentions could exist in all facets of this Panamanian meddling. This is a problem in which nations like Mexico, with a beautiful tradition of independence and asylum, refused to meddle. We repeat that as a gesture of humanity, we cannot object to the boldness of the Panamanian Government. But in the political aspect, its action could have grave consequences. In the whole situation, we must not forget that the person involved committed all kinds of crimes and violations in his country. This makes him a fugitive of human justice. We hope the act of the Panamanian Government will not meet with a reprisal that we will be sorry for tomorrow. It could make us sorry we went to a party to which we were never invited.

STUDENTS VOICE OPPOSITION TO SHAH ARRIVAL

PA171956 Panama City Radio Hogar in Spanish 1700 GMT 17 Dec 79 PA

[From the "Comentarios y Opiniones del Profesor Don Lucho" program; statement by Center of Law student president Olimpo Saez--live]

[Excerpts] I wish to bring here a message of indignation from the Center of Law students [CED] of the University of Panama and from our group, the Nationalist Action Circle, regarding the presence in Panama of the former shah of Iran.

We are angry over his presence, because the shah of Iran represents a bloodthirsty monarchy which many times slaughtered the people. The shah of Iran represents a government of corruption, prostitution, drug trafficking, prepotency--all of the vices of a dictatorship. We are angry because we can no longer understand why this country must continue to be humiliated. No one wants the shah, precisely because of his heritage of hatred against the poverty-stricken people of Iran.

All Panamanians are violently angry over his arrival, because the one thing all Panamanians have been doing is fighting against all of those vices and against everything the shah represents. Then, today, we suddenly have him here as a permanent resident, imposed by the Americans, imposed by Carter.

We call on all civic, professional, student and political organizations to issue pronouncements expressing their opinions about the shah's presence. All the newsmen who have always condemned the shah, I would like to hear them now. Let us hear the ERSA [Editora Renovacion S.A.] newspapers give their opinion; let us hear Radio Libertad speak out against the shah's presence; let us see the revolutionaries out in the streets to protest the presence of the bloodthirsty shah. I think that the teachers should instruct their students what type of person we are receiving in Panama.

The shah brings with him a small army armed to the teeth to defend him. The lives of all Panamanians are in danger at any moment, because that army is bloodthirsty and sinister. Radio commentators and newsmen will be their targets, either with bullets or dollars. That is what the shah's presence means.

We hereby invite all Panamanians who have an iota of dignity and national concern to protest in the most vigorous manner the shah's visit. We are going to organize, together with other fraternal groups--we will notify when the time comes--a march to tell the world, the international press, that our people do not like dictators and we do not think it is right to give lodging here to bloodthirsty men who must face trial. That is all, Panamanian people. Thank you.

COLUMNIST POSES QUESTIONS ABOUT SHAH'S PRESENCE

PA171637 Panama City CRITICA in Spanish 17 Dec 79 p 4 PA

["Bonafide" Column by Camilo O. Perez]

[Excerpt] We now continue with Mondays' questions, so eagerly awaited.

Why did the former shah of Iran have to land at Howard Air Force Base which, although on Panamanian territory, is not Panama's international airport? The question is doubly valid when one considers that the international wire, datelined Panama, again referred to the "Canal Zone." Is this right?

More on the former shah: does not granting asylum to such a controversial person violate the Canal's neutrality principle? Also, could this not be another maneuver by Panamanian political strategists? This is most likely since the shah's arrival in Panama is certainly not just to stay on Contadora. We shall wait and see. In any case, let us not be carried away by the former Iranian dictator's arrival to the extent that we set aside our basic problems. Finally, we were the first to mention that talks were underway to bring Mohammad Reza Pahlavi to Panama. That was 2 weeks ago.

PAPERS DEFEND DECISION TO GRANT ASYLUM

CRITICA Editorial

PA171617 Panama City CRITICA in Spanish 17 Dec 79 p 4 PA

[Editorial: "Asylum to the Shah"]

[Text] The national government took a fully sovereign action by granting asylum to the shah of Iran. It was a demonstration of Panama's ideological pluralism because the former Iranian ruler's ideology is known to all. He does not belong to the rightwing but to a classical monarchy based on divine right.

To deny a human being vital protection in time of danger is cruel, and cruelty is not the best policy. One can agree or disagree with the policy practiced by this political refugee, but sovereignty and the right of asylum are beyond any ideology or sentiment.

Our history is rife with distinguished exiles and even dictators. Juan Montalvo sought refuge in Panama and wrote his "Catalinarias" here, a famous pamphlet that led to the toppling of the Ecuadorean dictatorship of the day. Eloy Alfaro, Maceo and other glorious Americans sought refuge in our country. In addition, Juan Domingo Peron and hundreds of Cubans, Nicaraguans and countless others who have fled from leftist regimes in Latin America have sought sanctuary on our soil. Our government has expressed its desire to lend a hand of solidarity to Uruguay's General Seregni. In sum, this is the most appropriate and humane position one can have because one should never lose respect for an individual when his life is at stake.

It must be made known that the national government is aware of the danger posed by this situation. A powerful country such as Iran, which has had a profound impact on the government of the United States, is no small foe. Iran has oil, plenty of money and its influence can be wielded in the international banks like a dagger. Panama's action is even more noble because we boast of being an international financial center and we do not have oil. It must be borne in mind that any Iranian attack in this respect will be felt by us. As a matter of principle, the oil producing countries will not turn their backs on their powerful friend even though they may not agree with its government. The same thing may happen in banking: Iran's influence on Europe is enormous. When such sizable amounts of money are at stake, many ties end up being strained or even broken. A large U.S. banking sector did not agree with the freezing of Iranian assets. Therefore, this is a delicate situation that should be analyzed carefully.

In any event, the important thing is that a noble and sovereign action has been taken. It is only fair to acknowledge this because our country has chosen to run a great risk to defend a genuine human right--the right to life.

Editorial Hails Move

PA171908 Panama City MATUTINO in Spanish 17 Dec 79 p 4 a PA

[Editorial: "The Visit of the Shah of Iran"]

[Text] Our country is again the focus of international attention as a result of ex-shah Mohammad Reza Pahlavi's arrival on our shores. All international news media have already reported that, in addition to being news, the controversial figure personifies a grave and very interesting problem between his country and the United States of America. Its ramifications could affect many other nations.

The famous figure has arrived looking for bodily rest, mental repose and spiritual peace. He needs this not only for his health but because that is all he wants. The political group led by Ayatollah Ruhollah Khomeyni has undertaken a veritable diplomatic manhunt against him. This is a new style of diplomacy because it does not exclude kidnapings or other actions bordering on violence.

In a quandry because many of its nationals are being held hostage, the U.S. Government has maintained its unchanging position. It will not deliver the ailing monarch so the mob can try, sentence and execute him in a violent frenzy brought on by his enemies' accusations.

As far as we are concerned, Panama does not care about the very high stature of the man who today seeks our friendship. We were not moved to welcome him because of his distinguished lineage or because his former throne has been occupied by individuals who are an important and unforgettable part of history. Also, we are not moved by the astronomical figure his fortune is estimated to be worth or by the arguments of detractors or proponents of his government work. The only thing we Panamanians see right now is that a human being in need of rest and spiritual peace has come to our country hoping to live out his life without worrying about the weapons (just or murderous, as you prefer) his enemies are using to pursue him.

Panama deserves respect for this action and the acceptance of its government's attitude. We Panamanians could not say we have decided to be a firm, unwavering haven of peace and neutrality if we refuse to harbor a man whose only weapon is his anguish, his pain and the desire to find a sufficiently understanding people who will not turn him over to his persecutors.

By granting asylum to Mohammad Reza Pahlavi, Panama is firmly seeking international peace. Panama is just playing what we consider to be our natural historic role.

'Humanitarian Gesture' Noted

PA171554 Panama City CRITICA in Spanish 17 Dec 79 p 4 PA

["Ajedrez Politico" column by Rafael Nunez Zarzavilla]

[Text] The former shah of Iran is in Panama. Naturally, his presence has provoked a wave of both favorable and unfavorable commentaries and reactions. It is an extremely delicate issue due to the misunderstandings and stubborness existing in a situation that is explosive from all viewpoints.

The Iranian revolution, a revolution that is a mixture of religion and fanaticism and one that is shaken by violence, terrorism and internal struggles among various political and religious factions--is unknown to no one.

We cannot ignore or underestimate all the pressure being exerted on Iran by the world powers concerned with the Middle East conflict, the energy crisis over the uncontrolled rise in petroleum and the U.S. naval and air forces near the area of tension. We also cannot ignore the actions of clandestine groups which traditionally operate in all international crises and which contribute to the stabilization or destabilization of more than one nation and its government.

The foreign policy of our country and of the present head of state, who has the duty and the right to guide it, has justified the presence of the former shah on our soil.

This foreign policy led us to recognize the newborn state of Israel at the United Nations and now permits deep understanding of the acute and explosive problem of Palestinian liberation. Through this foreign policy, Panama recognized the communist Government of Cuba during difficult times; but it also opened its doors to many anticommunist Cuban exiles and active enemies of Fidel Castro.

Panama maintains relations with the government of Chilean President Augusto Pinochet, a declared enemy of communism; but Panama also opened the doors of humanitarian hospitality to many Chilean expatriots, socialists, communists, Christian Democrats and others. Panama has offered its facilities so many people could travel to other countries in search of their relatives. Meanwhile, Panama permitted some of them to work in this country so they would not die of hunger.

Recently, the struggle of the Sandinists against the repressive Anastasio Somoza dictatorship won Panama's support. It is also no secret that our country played a decisive role in the diplomatic moves taken to resolve the Nicaraguan situation.

In order to save the lives of U.S. hostages in Iran, our country offered asylum to the former shah. The intricacies of the entire process preceding his arrival will be the subject of our comments in subsequent columns, as will the diverse reactions and counterreactions.

Now, the North Americans, especially the conservative politicians who have been obstacles to our liberation process and to the development of the old strip called the Canal Zone and who are even making it difficult to appoint U.S. representatives to the Joint Canal Commission, must evaluate Panama's humanism and the risks which the presence of the former shah pose for our country.

'Panama Move' Assessed

PA172159 Panama City CRITICA in Spanish 17 Dec 79 pp 1, 28 PA

[Text] All governments of the world are making new evaluations of the Iran-U.S. situation and now the Iran-U.S.-Panama situation following the arrival of the former shah Reza Pahlavi in Panama. Obviously, the centers of world power were relieved that the possibility of an immediate armed conflict of unforeseen consequences has been dimmed though not completely eliminated because the American hostages remain in the hands of the Iranian students. "The Panama move," as international news media have called it, will have worldwide importance, according to the Panamanian analysts who are following the evolution of local events on the Latin American and Third World scene.

Of course, the strategist is Omar Torrijos Herrera, and President Carter directly thanked him yesterday for "his positive attitude." CRITICA had announced 12 days ago that arrangements were being made with the former shah of Iran, and this was confirmed when the former Iranian monarch arrived yesterday on Contadora Island. CRITICA knew all about this, using secret methods, proper to modern journalism. Even though we were not able to interview the former shah, we learned from a good source that General Torrijos met with the controversial guest on Contadora Island at about 1800.

There are several angles to high-level Panamanian politics, and some of them are still a secret. The Ayatollah Khomeyni will have to change some of his tactics toward the United States. Panama has actually "thrown in a lifeline" so that "the strongman of Iran" will be able to have new issues for negotiations in a country that can no longer resist the internal conflict. [sentence as published] For the United States, the problem remains how to save the hostages, but above all, how to adopt another stance vis-a-vis Panama, which has been harshly attacked by American congressmen. For Panama, the issue is to negotiate, on behalf of the Third World, better conditions for the countries that "though not involved, suffer from the effects of the world political situation of the larger countries."

One must not forget that the case of the former shah Reza Pahlavi is complex and extremely difficult. The former monarch and the entire political system that he represented for so many years in Iran and surrounding countries was contrary to the most basic human rights. Actually, Iran is now reacting to its lack of human rights in the past. Some politicians in the United States understand this, but the situation concerning the hostages has made an agreement difficult. It is also known that there are American forces that have plotted against Iranian sovereignty and directly against Khomeyni. However, something more significant is at stake behind all of this. Iran affects the political game of not only Asia, but the entire world because of its petroleum.

The same sectors in the United States that imposed a policy in favor of the former shah are now attacking the new U.S. policy on the Panama Canal. That is why we say that "the Panama move" will have unbelievable results.

Finally, another big problem is the former shah's fortune, which is considered "ill-gained" in Iran, and the political trial of the former monarch. Both problems will be the topics of present and future negotiations.

Meanwhile, Panamanian envoys are leaving within the next few hours--that is, if they have not already left--for Tehran.

EL SALVADOR

JUNTA WARNS OF POSSIBLE IMPOSITION OF STATE OF SIEGE

PA180211 Paris AFP in Spanish 0118 GMT 18 Dec 79 PA

[Text] San Salvador, 17 Dec (AFP)--The government junta warned here today that it may impose a state of siege unless clandestine groups stop their acts of violence.

Junta member Col Adolfo Majano also said that all illegal groups which are seeking to undermine the stability of the state will be duly tried.

In a meeting with newsmen, Colonel Majano said that the security corps have been instructed to take action against all terrorist groups which promote national unrest.

In his speech Majano condemned the latest acts of political violence in the country. He noted the killing of several peasants over the weekend in the area close to San Pedro Perulupan, east of San Salvador, and at Mejapa to the north, where guerrillas from the Farabundo Marti Popular Liberation Forces (FPL) shot the peasants because of political differences.

Colonel Majano denied that the government junta is injuring free enterprise by certain measures which it has adopted. He agreed with Salvadoran Archbishop Msgr Oscar Arnulfo Romero, who yesterday said that peasant organizations are a justifiable means of pressure on the government to meet peasant demands.

Meanwhile, the week began here with student occupations of a number of schools. The National School of Commerce and the Central Girls Institute were occupied by students who are demanding, as the price of vacating the premises, authorization for general entry into secondary institutes, a freeze on tuition in private schools and the trial of officials of the former government who are responsible for acts of political persecution.

OPPOSITION GROUPS CREATE BROAD NATIONAL FRONT

PA180029 Panama City ACAN in Spanish 0041 GMT 17 Dec 79 PA

[Text] San Salvador, 16 Dec (ACAN-EFE)--A broad national front was created 3 days ago in El Salvador, a spokesman of that new organization said today, Sunday, to ACAN-EFE.

He added that the front will try to defend us from the reigning anarchy in the country and will propose specific solutions to specific problems in order to improve the Salvadoran people's social conditions.

The spokesman explained that the formation of a broad front is the only way for the groups which are being pushed aside by the revolutionary governing junta to be heard. These groups charge the new government with acting against free enterprise and freedom of expression.

They claimed the new government is leading the country to totalitarianism by trying to nationalize the banks and foreign trade, in addition to adopting other similar measures.

Referring to the agrarian reform, the front spokesman said the new organization agrees with some of its elements, which are based on productivity. He expressed the group's opposition to experiments such as those carried out in Peru, noting that in such cases, the interested groups should be consulted.

The front is made up of the Salvadoran National Movement, the Nationalist Democratic Front, the Unified Civic Movement, the Salvadoran Reformist Movement, the Farmers Front and the Small Enterprise Front.

JUNTA MEMBER LEAVES FOR MEXICO ON PRI INVITATION

PA180351 Paris AFP in Spanish 2051 GMT 16 Dec 79 PA

[Text] San Salvador, 16 Dec (AFP)--Social Democrat leader Guillermo Ungo, member of the Salvadoran Government Junta, left today for Mexico, invited by the leadership of the Institutional Revolutionary Party (PRI).

Although the visit is unofficial, Ungo announced that during his visit he will discuss a probable visit by the government junta to Mexico next year and also President Jose Lopez Portillo's tour of Central America.

Ungo also referred to the domestic political situation in El Salvador. He said that the agrarian reform process will be carried out in his country despite the opposition of capitalist sectors.

The political leader admitted, however, that although agrarian reform programs might have an initial impact on national economy, this situation will be overcome during the course of the process.

Ungo justified the nervousness of Salvadoran capitalists regarding agrarian reform programs, but noted that the agrarian reform process has to be carried out because it is essential.

Regarding political violence in the country, Ungo noted that the government junta had inherited this problem from former governments, but said that it can be eradicated in the long run.

CP OFFICIAL HITS JUNTA'S FAILURE TO MEET POPULAR DEMANDS

AU171520 Budapest NEPSZABADSAG in Hungarian 13 Dec 79 p 2 AU

[Andras Kanyo article: "For Changes in El Salvador"]

[Text] Mario Gomez, member of the Politburo of the El Salvador Communist Party, who visited our country during an European tour, has received Andras Kanyo, a member of our paper's staff, and answered his questions.

[Question] What were the antecedents of the 15 October turnabout?

[Answer] Our people have suffered a great deal under the oppression of successive military dictatorships. Tens of thousands of its sons have sacrificed their lives in the bitter struggle for democratic changes, a better livelihood and the retention of human dignity. President Martinez, the first dictator coming to power with U.S. support, had 20,000 peasants, who demanded a land reform, shot to death. In the 47 years since then, El Salvador has become the poorest country on the continent and an easy prey for the local oligarchy and U.S., Japanese and West German capital. Only 23 percent of the arable land is owned by 91.4 percent of the population, 14 large landowner families rule the rest. There is 30-percent unemployment in the cities and 50-percent unemployment in the provinces. The per capita income of the able-bodied population does not even amount to subsistence level. At the same time, the profits of the few hundred families controlling the sugarcane plantations, what little industry there is, commerce and the banks have constantly increased, as have the profits of foreign monopolies.

The ruling stratum maintained a vast oppressive apparatus to insure its privileges. In addition to the army, various paramilitary units committed their excesses unpunished, massacring hundreds of progressive people. And if intimidation failed to achieve its objective, there was the army, whose officers, trained at U.S. military academies, carried out any order.

The increasing dissatisfaction led to huge demonstrations, which were supported, in addition to the communists and the trade unions, by several opposition parties and the Catholic Church as well. Simultaneously, the number of young officers supporting the popular forces demanding democratic changes increased. In addition to the conduct of the antidictatorship forces, the victory of the Sandinist forces in Nicaragua had a strong impact on the development of events. Ultimately, with the support of the people, an action of the popular forces and young democratic army officers overthrew General Romero's rule.

[Question] The junta consisting of the colonels and three civilians has promised democratic changes, but the progressive parties and organizations are, nevertheless, dissatisfied. What is the reason for this?

[Answer] Although popular forces and patriotic young officers played the decisive role in overthrowing the dictatorship, the traditional power groups and the representatives of U.S. interests have come to power. Their main goal is to take the wind out of the sails of the progressive forces through shameful measures.

The United States has a significant role in the development of events. The Nicaraguan events caused a grave shock in Washington. Carter and those around him feared that they would lose their Central American supporters one by one if they did not do something. In July they sent Viron Vaky, assistant secretary for inter-American affairs, to San Salvador to study the situation in El Salvador and he declared at the 11 September Senate session: It would serve no purpose for us to continue to strive to maintain the status quo in Guatemala, Honduras and El Salvador. We must find an appropriate answer as soon as possible.

Well, they have found one. Not a democratic change in accordance with the will of the people, but some sort of a palace revolution took place on 15 October in the country. By a coup, Colonels Guiterrez and Majano were helped to power: They had frequently consulted with the U.S. Embassy in San Salvador previously. They were also advised by the Americans to include Christian Democratic and Social Democratic middleclass civilians in the junta and to proclaim a program which appears to coincide in several points with the demands of the popular forces. However, precious little of this program has been implemented.

[Question] What is the party's appraisal of the present situation?

[Answer] The Communist Party still cannot operate legally. Admittedly, the junta hastened to include representatives of the progressive parties and organizations in the new government. However, this was not done in the interests of a democratic transformation, but to deceive the masses. The Communist Party, the country's best organized and most democratic force, is still excluded from the government, as before. It is also true that it has been announced that general elections will be held next year. However, elections were also held in 1977, at which the popular alliance, which was composed of opposition parties, won most of the votes. But, nevertheless, Romero became president, continued his predecessor's antipopular policy, and eliminated the activists of the progressive parties and organizations by executing them without a court trial. At least 5,000 people have disappeared and only 74 have been released by the new junta. And, for the time being, nothing is being said about land reform, one of the most important demands of the masses.

Our party opposes the elections, because a regime coming to power through obviously manipulated elections would only be a smokescreen hiding the antipopular and antinational policy of a government serving the interests of the United States and the international monopolies.

What our party is urging is not elections, but democratic changes. The most immediate goal is the release of the political prisoners. The removal of fascist elements from the army leadership, putting on trial the executioners of the people of El Salvador and implementation, at last, of the long-overdue land reform. Toward the attainment of these objectives, we are prepared to join forces with all the democratic organizations of the country.

NICARAGUA

CUBAN AID PRAISED BY FSLN LEADER

FL141709 Havana Domestic Service in Spanish 1500 GMT 14 Dec 79 FL

[Text] Lima, Peru--Cuba's aid to Nicaragua was praised in this capital by (William Vigil), representative of the Sandinista National Liberation Front [FSLN], who is visiting Peru to seek support for his country's literacy drive. The young FSLN delegate said Cuba had been the first country to respond to the call for help for national reconstruction issued by his country's triumphant revolution. He added that the Cuban aid is made without prior conditions and is massive, important and greatly appreciated by the Nicaraguan people.

(Vigil) stated that cooperation is currently coming from many countries and noted the importance of contributions made by Venezuela, Panama and Costa Rica, among many other countries. He said Nicaragua is ready to accept aid from any country with the only demand that such cooperation be offered without prior conditions, as the United States and other nations, which he did not identify, did at the beginning. Referring to the $75-million U.S. aid, he said it is possible that Nicaragua will accept it inasmuch as the prior conditions have been eliminated.

CUBA'S FERNANDEZ CONTINUES VISITS TO SCHOOLS OF NICARAGUAN DEPARTMENTS

FL142334 Havana Domestic Service in Spanish 2230 GMT 14 Dec 79 FL

[Text] Managua--The delegation headed by Jose Ramon Fernandez, vice president of the Cuban Council of Ministers, today traveled to Nicaragua's southern departments to visit schools where Cuban teachers are working.

The high-level delegation yesterday visited cities and small communities of the northwestern departments of Leon and Chinandega accompanied by Nicaraguan Deputy Education Minister (Douglas Stewart). In Leon, Nicaragua's second-largest city, 90 km northwest of Managua, Fernandez met with leaders of the National Autonomous University of Nicaragua where a team of Cuban professors will be working. Afterwards, the delegation, accompanied by officials of the National Association of Teachers of Nicaragua and local officials, went to the communities of La Tololar, Monte Redondo and (Pelica) where Cuban internationalist teachers are giving classes.

Concludes Tour

FL171240 Havana Domestic Service in Spanish 1200 GMT 17 Dec 79 FL

[Text] Jose Ramon Fernandez, vice president of the Cuban Council of Ministers, has concluded a tour of Nicaragua where he met with many of the Cuban teachers who are working in that fraternal country.

Fernandez, who led a delegation of 11 specialists and advisers of the Cuban education system, spent 5 days in Nicaragua during which he saw firsthand the work being done by 1,200 Cuban internationalist teachers. After an extensive tour of that Central American country's most isolated areas, the visitors met with Nicaraguan Education Minister Carlos Tunnerman. At that meeting, it was stressed that Cuban assistance has helped to open 600 new classrooms to teach about 50,000 Nicaraguan children, an action that is much appreciated by everyone, especially the children and their parents.

Nicaraguan education leaders stressed the joy and determination with which Cuban teachers started their classes despite the difficulties and difficult work and housing conditions. In spite of difficulties, improvised classrooms without roofs and even under trees, lack of school materials, transportation, electricity and potable water, the Cuban internationalist teachers never ask for anything. The Nicaraguan officials pointed out that the members of the Augusto Cesar Sandino contingent, once their work with students is done, frequently are seen participating in tasks of the community such as the construction of schools and hospitals. The Nicaraguan education officials spoke of emotional meetings and experiences with the Cuban teachers who are teaching in regions of the country that were neglected in the past.

FINANCE MINISTER ANNOUNCES AGREEMENT TO REPAY FOREIGN DEBT

FL171450 Havana Domestic Service in Spanish 1443 GMT 17 Dec 79 FL

[Text] Joaquin Cuadra Chamorro, finance minister of the national reconstruction government of Nicaragua, has declared in Mexico City that his country would pay its foreign debt of $1,646 billion but without sacrificing its social transformations.

Cuadra Chamorro arrived in Mexico City to meet with Nicaragua's creditors and announced that next year Nicaragua will have to pay $619 million in loans interest alone. He explained that 75 percent of the debt contracted by Somoza was with U.S. banks with an 11-percent interest rate based on the floating market rate which at times exceeds 15 percent.

We, the Nicaraguan minister emphasized, have committed ourselves to assume a debt that is not ours, but payment must be on realistic terms, in other words, taking into account our development plans and ability to pay.

HASSAN SCORES 'PSEUDO-MARXISTS' FOR UNDERMINING GOVERNMENT

PA172316 Managua BARRICADA in Spanish 12 Dec 79 pp 1,8 PA

[Excerpt] Companero Moises Hassan, member of the government junta, yesterday afternoon gave an overall report on the main laws and decrees issued and progress achieved by the new government of national reconstruction during the first national "Oscar Perez Cassar" seminar for the training of cadres.

At the start of his speech, Companero Hassan emphasized the negative activity of groups who claim to be Marxist-Leninist and defenders of the working class, but who in practice pursue objectives different from those of the working class.

On the one hand, these groups are demanding wage increases knowing that the working and peasant classes lack everything. However, they are also aware that present conditions in the country make it impossible to meet those demands.

"If we were to increase wages, we would begin an inflationary spiral, because there would be an increase in the prices of consumer articles, which would bring even more ruin to our economy," Hassan said.

The pseudo-Marxists know this, but they act as they do because they seek to undermine the bases of the government and its vanguard, the Sandinist National Liberation Front [FSLN], he said.

Companero Hassan added that under Somozism these groups were never able to lead the working class. However, now they pretend to be the standardbearers and defenders of the dispossessed classes when before they were always incapable of confronting Somozism.

"By their attitude, these groups are trying to give the impression that the FSLN is to blame for the problems which we are presently experiencing, problems which were the result of the armed struggle we waged against the dictatorship," he added.

POLITICAL GROUPS WARN AGAINST TOTALITARIAN TOTALITARIANISM

PA141415 Paris AFP in Spanish 0337 GMT 13 Dec 79 PA

[Text] Managua, 12 Dec (AFP)--Intensified opposition was evident today in declarations made by several parties and organizations in regard to domestic political developments.

Although none of the groups directly questions the Sandinist revolution, they expressed disagreement with measures they claim are contrary to Nicaragua's democratization.

The Democratic Conservative Party of Nicaragua [PCDN] said after a meeting that there is confusion in the country over state and private property and the rights of political parties.

The PCDN also demanded the right to use government information media and announced its decision to remain within the revolutionary process while maintaining its own identity.

PCDN President Emilio Alvarez will oppose any totalitarian measures and the indoctrination of children.

Meanwhile the secretary general of the Social Democratic Party [PSD], also conservative, asked the government today to define the political nature of the country's revolutionary process. The Nicaraguan people have the right to know once and for all, said Montalvan, who has just returned from a tour of Venezuela, Ecuador, Panama and Costa Rica.

The PSD leader said that there is on the one hand the basic statute of the Junta of the Government of National Reconstruction and on the other a Sandinist Front document better known as "The 72 Hours." According to Montalvan, this document contains political and economic guidelines that will lead the country into totalitarianism.

Montalvan referred especially to a part of the Sandinist document that says the revolution has not yet been carried out thoroughly and asserts the need urgently to create a political, economic and military consolidation in order to make further revolutionary changes. According to Montalvan, there is a large amount of technical and material aid abroad willing to serve Nicaragua but because of a lack of political definition of the revolutionary process it has been withheld so far.

Meanwhile, a group of citizens called for a national meeting to discuss the future of the Sandinist Defense Committees [CDS] operating throughout the country since the triumph of the revolution. Those opposed to the CDS say these committees have assumed state functions such as authority over drivers licenses, employment and trips abroad.

However, Sandinist leaders say these committees have special tasks such as preventing sabotage by counterrevolutionary groups which have been attacking schools, public buildings and political leaders.

A group of citizens, members of the CDS in northwestern Managua, have asked for a nationwide meeting to determine if these organizations are voluntary or if they indicate dictatorial control of the people.

The group asked the authorities for implementation of Sandinist socialism and rejected what they believe to be the transformation of the CDS into appendages of [words indistinct] of a single party. They reject any arbitrary measures [ingerencia] that would hamper free pluralist participation in the revolution.

EUROPEAN TRIP PRODUCES AID FOR CULTURAL PROJECTS

PA172336 Managua LA PRENSA in Spanish 12 Dec 79 pp 1, 10 PA

[Text] Culture Minister Ernesto Cardenal and Javier Arguello, secretary general of the Culture Ministry, described as short but productive their trip to several European countries in search of aid to finance projects planned by the Culture Ministry.

Our companeros had originally been invited by the Government of the FRG and the Culture Ministry of France. Once in Europe, they received invitations from Austria, Geneva and Barcelona, where they received much attention as well as specific offers of aid to our country.

According to Companero Cardenal, Nicaragua will soon receive aid estimated at between $1 million and $3 million in cash and materials needed for our reconstruction. He said that the exact amount cannot be given as yet because some projects are still under study and have not yet been approved.

However, he confirmed that Nicaraguans can count on books and construction materials from the Austrian Government for the Luis Alfonso Velasquez Children's Library, one of the projects to be built after clearing the debris in Managua. Austria also offered instruments for our music school and $200,000 worth of paper with which the Culture Ministry will be able to remedy our longstanding lack of good books. Cardenal said that books to be published will include not only Nicaraguan literature, but also Latin American and world literature, Spanish classics, and so forth. The idea is also a part of the economic plan to save foreign exchange.

For its part, the Government of the FRG gave our compatriots $100,000 as part of a donation by private citizens. This was in addition to seven scholarships for Nicaraguans to study radio, television and movies in the Berlin Communications Institute. Similarly, in Barcelona the Nicaraguan delegation received 1 million pesetas from popular donations.

UNESCO and authorities in Geneva offered important contributions. The Geneva authorities promised to immediately send additional musical instruments and to offer scholarships in areas of study not offered in Nicaragua. In addition, they promised financial aid for the Monimbo Indian University.

Nicaragua Abroad

After noting the many demonstrations of solidarity extended to our companeros by the aforementioned governments, Cardenal mentioned the problem of the international campaign being waged against Nicaragua abroad by certain news agencies who specialize in disseminating alarmist versions of Nicaraguan affairs, thereby endangering our revolution.

DOMESTIC TRADE MINISTRY TO BE CREATED

PA160417 Managua Radio Sandino in Spanish 1200 GMT 12 Dec 79 PA

[Text] The government plans to create a ministry of domestic trade which will be in charge of marketing all the products of the land which are consumed here. This organization will also be in charge of regulating prices, purchasing and distributing goods and everything else related to the marketing of these products in Nicaragua. Its functions will be similar to those of the Foreign Trade Ministry except that this ministry will only market products inside Nicaragua.

MORA HERMAN SCORES U.S. NATO MILITARY BUDGETS

FL151711 Havana Domestic Television Service in Spanish 0100 GMT 15 Dec 79 FL

[Carlos Mora Herman commentary]

[Text] The meeting of NATO countries' foreign and defense ministers held in Brussels has adopted an agreement which seriously threatens world peace. NATO is going to produce and install in several European countries 108 Pershing II missiles with a range of 1,800 km and 464 cruise missiles with a range of 2,800 km. This has been achieved as a result of the tremendous pressure exerted by the Carter administation on its European allies, from which it has asked to increase their contribution to NATO to alleviate U.S. military outlays inasmuch as out of the 5 billion dollars it will cost to produce the Pershing II and cruise missiles, the United States will have to assume 60 percent of it and the rest of the NATO countries 40 percent.

It would be worthwhile to examine more profoundly this escalation in the arms race, by the Carter administration, its reasons, its motives and its objectives. Carter has split the throat of the dove of peace and has placed the knife in his mouth. In addition, the U.S. President has announced a five percent increase in the Pentagon's military budget for 1981 and other gradual increases in the next 4 years until 1985. For 1981, the Yankee military budget will amount to 157 billion dollars.

The United States has sold 13.1 billion dollars worth of arms during 1979. In this same year NATO spent 70 billion dollars in arms, 20 billion more than in 1978. Let us recall that barely 4 years ago during his electoral campaign, James Carter said that the United States could not simultaneously be world flagbearer of human rights and principal arms seller. Now the electoral slogan has changed. Carter seeks reelection and wants to please the Pentagon's hawks and the most reactionary and fascist groups in the country. Those are the same groups which are allowing the reemergence of murdering gangs, such as the Ku Klux Klan, and are attempting to lead the country toward a suicidal policy of aggressions, interventions and trampling of other peoples' rights and freedoms.

This escalation of the arms race undertaken by Carter just as his electoral campaign begings will make it possible for the United States--according to Pentagon sources--to develop the MX mobile missile, produce more Minuteman missiles, install new Poseidon missiles in the Trident submarines, build the B-1 bomber which Carter himself forbade in 1977 and which can carry the cruise missiles, increase the number of F-14 and F-13 aircraft and create quick-reaction conventional forces to act anywhere in the world in emergency cases.

All this has provoked a wave of protest worldwide, setting off a number of denunciations and condemnation of Washington's criminal plans. On the other hand, what happened in Brussels during the NATO meeting does not allow Carter to cry victory because only three countries, England, the FRG, and Italy have expressed their willingness to install the Pershing II and the cruise missiles immediately. Holland has decided to wait 2 years before giving a definitive answer. Belgium has asked for a 6-month waiting period. Norway and Denmark expressed their opposition. Turkey voiced its reservations, and France decided to totally extricate itself from the accord reached under U.S. pressure.

For Washington, this means that the NATO united front has cracked and is worthy of profound consideration because it has occurred after the Soviet Union decided to withdraw troops and arms from the GDR and the Warsaw Pact foreign ministers proposed to NATO the immediate start of talks on nuclear disarmament in the European Continent.

The Chinese giant has not been aloof from this. They have actively collaborated with Yankee imperialism, using in its propaganda the same reactionary and anti-Soviet arguments being voiced by Carter in an effort to justify his arms race which doubtlessly will aggravate the U.S. economic situation and will affect that country's citizens who in the end are the ones paying for those arms and military expenses, in addition to the possibility of becoming victims of that warlike madness.

GUIDO GARCIA INCLAN COMMENTS ON CABINET RESHUFFLE

FL172049 Havana Domestic Service in Spanish 1730 GMT 17 Dec 79 FL

[Guido Garcia Inclan commentary entitled "Cabinet Reshuffle"]

[Text] Some ministers have been replaced in accordance with a decision of the Council of State. The news that some ministers had been replaced before year's end came to us as a surprise. Our duty today is to welcome the new ones who come with renewed energy, greater vigor to do more, and say farewell to those who will be assigned to other posts in our government to make the leadership group stronger and give more and more help to our Fidel. This has been our demand for more than 20 years.

We were told that we had lost 58 years of pseudorepublic. Later on, due to our neglect--our way of letting others do as they please and not doing things ourselves--it is possible that we lost 20 more. It was plainly obvious that we could not live like that; we could not go on living like that. Our friends Comrades Antonio Enrique Lusson Batlle and Jose A. Gutierrez Muniz, in their posts of ministers of transportation and public health, respectively, were replaced by our friends Comrades Sergio del Valle, who was interior minister, and Guillermo Garcia Frias, who assumes the Ministry of Transportation. We wish our friends the best because they are hard workers.

We would like to recommend to them to that they keep the mass information media well informed at all times so that the people need not question actions or start rumors. By telling the truth in each instance everybody will be satisfied, because our people understand. We must be extremely clear in matters such as this.

Ramiro Valdes will occupy the post of interior minister. He knows the job well. It is hard work and most necessary. All mass organizations must rally round him and help him in every way possible. Dr Sergio del Valle, a physician, can do a good job in public health. There are plans for more polyclinics. In addition we believe that each child care center should have a medical team. We have said that many rooms in the hospital located at G and 27th streets most of the time do not have running water. This must be watched very closely. Another thing that must be looked into is the problem of taxistands at the hospitals themselves. We do not know why, but they have been abolished.

These are small things that cause needless irritation among the citizenry. They can be corrected very easily. It is obvious that the employees, the news media--radio, television and newspapers which represent the people--must cooperate in all these matters.

Congratulations to the comrades assuming the posts; those who have been replaced to go to other posts of responsibility we also congratulate because they have worked hard during difficult moments. They have worked hard.

Friends, let us all rally round our Fidel in all instances. This is a revolutionary duty.

CUBA WILL NOT SHARE UN SECURITY COUNCIL SEAT

FL172323 Havana Domestic Service in Spanish 2232 GMT 17 Dec 79 FL

[Text] Cuba has confirmed it will not share the UN Security Council seat to avoid reviving a harmful practice which affects the interests of the group of states that are not permanent members of that body. Cuban Foreign Minister Isidoro Malmierca met with regional groups accredited to the United Nations to explain to them Cuba's position with respect to the election of the 15th nonpermanent member of the Council.

Allow me to remind you that seats were never shared from 1945 to 1955 and that since this occurred for the first time in 1955, it has repeated itself four times. Do we want this to happen again?, Malmierca asked. He pointed out that this had occurred before the Security Council was expanded to 15 members and that the states which had accepted sharing [the seat] had always been from different regional groups.

Malmierca noted that our country does not want to be a part in establishing a negative precedent which represents a violation of the UN Charter, He added that this situation could be repeated in the future, allowing a state with a minority vote to maintain its candidacy, block the election and be rewarded by being elected member of the UN Security Council for a period of 1 year.

The Cuban foreign minister explained how Cuba's candidacy to the Council had come about and how it had remained as the sole candidate of the group from 1977 to 1979. He stated that after learning about another state's candidacy, Cuba had conducted numerous bilateral negotiations to avoid confrontation and had even withdrawn its candidacy to the Economic and Social Council to find a solution.

Responding to suggestions that the Latin American group should resolve the issue, Isidoro Malmierca recalled that regional groups cannot usurp functions of the UN General Assembly. He added that at the beginning all countries had exercised their sovereign right to support the candidate they preferred as nonpermanent member of the UN Security Council but now, he stressed, it is a matter of respect for democratic norms and traditions or continuing the present situation of blocking a nation.

The meetings held by Isidoro Malmierca took place this past weekend. It has been announced that voting for the seat will continue today.

COOPERATION PROTOCOL SIGNED WITH ETHIOPIA

FL171746 Havana Domestic Service in Spanish 1700 GMT 17 Dec 79 FL

[Text] The protocol marking the conclusion of work done during a visit to our country by a high-level Ethiopian Government mission has been signed in Havana by Antonio Esquivel, Cuban minister of the chemical industry, and Tesfaye Dinka, Ethiopian minister of industry.

Members of the visiting delegation and Aemero Wondimagegnehu, ambassador of the fraternal African country in Cuba, as well as Cuban party Central Committee members Hector Rodriguez Llompart, minister-president of the State Committee for Economic Cooperation, and Raul Curbelo, chief of the Cuban mission in Ethiopia, participated in the signing ceremony.

During its visit to Cuba, the Ethiopian mission was received by Commander in Chief Fidel Castro and Army Gen Raul Castro, first and second secretaries of the party, respectively. The delegation also visited industrial centers.

BARBADOS

OPPOSITION PARTY CALLS FOR ADAMS' RESIGNATION

FL172053 Kingston Domestic Service in English 1730 GMT 17 Dec 79 FL

[Text] The small Barbados opposition People's Progressive Movement [PPM] today supported calls for the resignation of Prime Minister Tom Adams because of his decision to send troops to St Vincent earlier this month to help Premier Cato's government quell a rebellion on Union Island. The party, which has no seats in Parliament, said Mr Adams' action on December 7 was irresponsible, provocative and showed a complete lack of understanding [words indistinct]. The PPM foreign relations secretary, (Robert Clark), who issued the statement (?in this tone), charged that the United States had directed the Barbadian Government to send in the troops. The official opposition, the Democratic Labor Party, last week condemned the Barbadian decision and said it would (?lead) to a no confidence motion against Mr Adams in Parliament tomorrow. It also demanded that government make a full disclosure on what arms it had received from the United States this year and what arms it had sent off to St Vincent.

GRENADA

BISHOP WILL TRY TO HEAL U.S. RIFT

FL171600 Bridgetown ADVOCATE-NEWS in English 14 Dec 79 p 1 FL

[Text] St. George's, Grenada, Thursday (CANA)--Normalising United States-Grenada relations will be the main talking point when Prime Minister Mr. Maurice Bishop and U.S. Ambassador to the Eastern Caribbean Miss Sally Shelton meet here on Monday.

This was disclosed here today by Prime Minister Bishop, at a press conference held to mark the ninth month of the Grenada revolution, March 13, when his leftist New Jewel Movement (NJM) seized power in a pre-dawn coup.

Miss Shelton was invited to Grenada two weeks ago by the People's Revolutionary Government (PRG) here which claimed it was not responsible for the existing "poor relations" between the two governments.

Bishop told newsmen: "Relations have been bad because various American functionaries have come here--former ambassador (Frank) Ortiz most notably--and attempted to dictate to us what we must do in our country and we are not prepared to accept that from anybody."

Miss Shelton is due here Saturday.

Grenadians do not regard themselves as belonging to America, Mr. Bishop asserted. They do not see themselves as being "in the backyard or a lake." The PRG wishes to have the best possible relations with the U.S. but relations must be based on the principles of mutual respect, sovereignty and non-interference."

He added: "Several of our people live in that country, several of their people come to our country as tourists and visitors. We have absolutely no quarrel with the people of America, never have had, and we do not want to have any quarrel with the American Government.

"But at the same time we must defend our process, our revolution and our country and we are not going to accept any attacks on that process by anybody. We are not going to be intimidated or bullied and we are not going to have anybody tell us how we must develop and process in our country."

Mr Bishop said his government has been trying to keep an area of communications open with the U.S. and the invitation to Miss Shelton was the latest initiative in this connection.

The U.S.-Grenada discussions are also expected to cover the future of Grenada's ex-Prime Minister Sir Eric Gairy, deposed by Bishop and now living in the United States.

Mr Bishop said, "The question of Eric Gairy remains a sore thumb."

The PRG, he said, could not accept a situation where a fugitive from justice from Grenada is "using somebody else's territory to provoke acts of aggressions against Grenada."

"Just in the last three weeks Gairy went on Radio WLIB, the biggest black radio station in New York, if not in America, and from that platform was putting out a call that he was attempting to come back to Grenada one way or the other, clearly meaning that he was still looking for mercenaries, clearly meaning that he has not yet abandoned his throne."

Mr Bishop said his government will be saying to Miss Shelton that one of the prerequisites to better U.S.-Grenada relations must be that Gairy be put under 'heavy manners' for as long as they choose to have him in their country."

JAMAICA

ISAACS TO RUN TWO MINISTRIES WHEN DANNY WILLIAMS LEAVES

FL171635 Kingston DAILY GLEANER in English 14 Dec 79 p 1 FL

[Excerpt] Appointment of the Hon William Isaacs as minister of industry and commerce is to be announced shortly. He will take over the portfolio when Senator Danny Williams relinquishes that ministry shortly before Christmas.

Mr Isaacs, who is minister of labour, will run both ministries.

According to informed sources, the government has no immediate plans to appoint anyone else to either ministry. "The general feeling within the government is that Mr Isaacs is adequate to run the two ministries," the sources said.

MANDEVILLE MAYOR, DEPUTY RESIGN IN 'UNPRECEDENTED' MOVE

FL171650 Kingston DAILY GLEANER in English 14 Dec 79 pp 1, 15 FL

[Excerpt] Mr Cecil Charlton formally resigned as mayor of Mandeville and chairman of the Manchester Parish Council yesterday, but declared that he would be remaining in politics.

In a surprise move, the deputy mayor and deputy council chairman, Mrs Beatrice Rigg, also handed in her resignation, creating a situation unprecedented in local government in Jamaica.

Interviewed by the GLEANER after he had presided over his last council meeting, Mr Charlton said he would be continuing actively in politics at both the local and national levels and would be "going into the major party to bring justice to the people."

However, he has not yet become a member of the Jamaica Labour Party, though he hinted that this would be done shortly.

BRIEFS

RELATIONS WITH FIJI--Jamaica and Fiji have established diplomatic relations, effective December 11, according to an announcement by the Ministry of Foreign Affairs. [Kingston DAILY GLEANER in English 12 Dec 79 p 2 FL]

ST LUCIA

GOVERNMENT LEADERSHIP CRISIS DETAILS REPORTED

FL171630 Kingston DAILY GLEANER in English 13 Dec 79 p 2 FL

[Text] Castries, Dec 12 (CANA)--A cabinet minister here has publicly given details of an arrangement between Prime Minister Allan Louisy and deputy George Odlum, which has led to a leadership crisis within the five-month-old government.

Minister of state in the prime minister's office, Mr Michael Pilgrim told a press conference last night that he expected Mr Louisy to honour the agreement, under which he would step down as head of the government on December 31 and allow Mr Odlum to take over.

It was the first time since the issue was brought out in the open last month that any member of the government had spoken about the arrangement made on the night of July 2, when the Labour Party swept the polls with a 12-5 general election victory margin.

Mr Louisy, 63, recently said he was in fact prepared to face any eventuality, including the possibility that "undemocratic means" may be used to get him to go.

Mr Pilgrim, who said that he had been working closely with the prime minister, called the press conference to discuss housing and finance matters, but fielded a question from a reporter who asked what he knew of the agreement.

The junior minister recalled that soon after the party's election victory, a meeting of the party's elected members was called to form a cabinet.

Agreement

He added: "At that meeting, and I say so honestly tonight, there was an agreement that Mr Alan Louisy would be prime minister for six months, that is, expiring on December 31, 1979. Every member agreed. Nobody disputed that. It was also agreed that at the expiration of that period Mr Louisy would take up the office of governor general."

Mr Pilgrim said he had been hearing all kinds of rumours as to who will be prime minister next year.

He added: "As I am concerned...I work very close to Mr Louisy. He has never indicated to me that he did not want to be the governor-general of this country. He has never indicated to me that he will not honour the agreement. I expect the prime minister to honour his agreement."